

Summary of 9-24-12 interview of Paul Romero

Interview and summary by Thomas M. Patton, Deputy Attorney General

Paul Romero was appointed during the Schwarzenegger administration and served as Chief Deputy Director of the Department of Parks and Recreation from approximately March of 2004 until his retirement in June 2008. (Paul Romero transcript (PRtr), pp. 2-3.)

Romero previously served as Director of Parks for both Riverside and Santa Clara Counties. He is also a past director of Santa Clara County's Resources Agency, and was previously Chief Administrative Officer of the Valley Water District. His four-year period at State Parks was Romero's only state service. (PRtr, p. 5.) He is now executive director of the non-profit California Association of Park and Recreation Commissioners and Board Members.

Michael Harris was deputy director of the administrative services at Parks when Romero started, and Manuel Lopez was later named to manage the division. (PRtr, pp. 6-7.) Romero recalled that Coleman was a hands-on director who personally appointed most deputy directors. Coleman's interaction with the deputy directors of administrative services, first Harris and then Lopez, was typically one-on-one between them, and Romero's interaction with those individuals was primarily at staff meetings. (PRtr, pp. 7-8.)

Romero observed that Coleman had been with the department a long time and knew many people there, in particular finance personnel with whom Coleman had worked in earlier capacities. Romero remarked that such people would report directly to Coleman, and this was true of Michael Harris, whom Ruth had brought over from the Department of Fish and Game, and also true of the former budget officer, Becky Brown. (PRtr, pp. 7-10.)

Romero attended regular bi-weekly and monthly meetings of large and small executive staff but discussions regarding finances and budgets were mostly done in Coleman's office, during the budget period. Superintendents would prepare their budgets and send them to administrative services, where they were compiled into a book and discussed at such budget meetings which Romero normally attended. Around 2007 such discussions during executive

meetings were discontinued and from then on budget discussions were typically held between Coleman and the administrative services personnel. (PRtr, pp. 10-12.)

When asked if disparities in financial reports going to the State Controller's Office (SCO) and Department of Finance (DOF) were ever mentioned at any executive meeting, Romero indicated they did not usually discuss finance reports—they talked instead about how money was to be distributed among districts. Romero stated that the subject of disparities in fund balance reports was never mentioned in front of him. (PRtr, pp. 12-13, 23.) Romero stated that the only information he has about financial disparities is what he has read in the newspaper. (PRtr, pp. 31-32.)

Romero stated that there was little talk about reserves, though he did recall discussing with Michael Harris the idea of asking the Legislature for increased appropriation and spending authority in the event revenues in the State Parks and Recreation Fund exceeded projections. Romero recalled that such excess revenue spending authority was obtained. Romero did not recall any other discussions about reserves and indicated this was a non-issue, as the Department was generally close in terms of forecasted revenues and expenditures. (PRtr, pp. 13-15.) Romero did indicate that a financial cushion was maintained by not allocating out all monies appropriated and not filling all vacant positions. Romero remarked that this was common practice in the local park agencies he had worked with. (PRtr, p. 16.)

Romero stated that deputy directors would report directly to him concerning concessions, planning, and personnel, and also come to him for advice while reporting directly to Ruth. In particular, the line of communication concerning financial matters and monetary allocations was directly between Michael Harris and Ruth Coleman. Harris was also the person who normally defended the Department's budget before the Legislature. (PRtr, pp. 19-20.) This format of direct reporting continued between Coleman and Lopez. (PRtr, pp. 20-21.)

Romero stated that the Off-Highway Vehicle (OHV) division was a separate unit managed by deputy director Daphne Greene, and that Greene and Coleman were the only ones that discussed OHV. Romero did not look at OHV fund condition statements and was never made aware that any OHV fund balance reports to the DOF and SCO did not match. (PRtr, pp. 24, 27-28.)

Since the stories about financial reporting discrepancies broke, Romero has spoken with former operations deputy director Ted Jackson and communications deputy director Roy Stearns, whom Romero had called to ask what was going on. (PRtr, pp. 28-29.) Stearns explained what the Department and media had found out and told Romero that Stearns had known nothing about it. Romero and Jackson discussed the calamity and impact on employee morale, but did not talk about money. (PRtr, pp. 29-31.)

Romero recalled that Rob Boriskin had been brought in at one point to take over administrative services. Romero believed Harris had directed Boriskin to clean certain things up and try to resolve certain problems, which Romero described as personality conflicts and a lack of policies and controls concerning individual duties and responsibilities. Romero believes that in the process Boriskin ruffled the feathers of various people who started complaining to Coleman, and Coleman subsequently became skeptical about Boriskin's strengths and decided she wanted him to move on. (PRtr, pp. 32-33.)